

Proposition 50

The Water Security, Clean Drinking Water,
Coastal and Beach Protection Act of 2002

California Department of Health Services

Chapter 3 Water Security

Chapter 4 Safe Drinking Water

Chapter 6 (b) & (c) Contaminant Removal Technologies

CFCC Workshops

2005

Prop 50 DHS Programs

Chapter 3 – Water Security (\$47.25 million)

Chapter 4 – Safe Drinking Water (\$435 million)

- 4a - 5 New grant programs for safe drinking water
~ \$62.355 million
- Drinking Water State Revolving Fund (DWSRF) state match
~ \$89 million
- 4b - Southern California Projects
~ \$261 million

Grants to reduce Colorado River use to 4.4 MAF

Chapter 6 – Contaminant and Salt Removal Technologies *

- 6b Contaminant Removal Technologies (~\$23 million)
- 6c UV and Ozone Disinfection (~\$23 million)

** Through Interagency Agreement with DWR*

Prop 50 Background

- Prop 50 “gives priority to projects that reduce public and environmental exposure to contaminants that pose the most significant health risks, **and** that will bring water systems into compliance with safe drinking water standards”
- Prop 50 encourages:
 - Integrated, multiple-benefit projects
 - Preference to disadvantaged communities
 - Improvements to local and regional water supplies
- DHS developed criteria to implement programs in Chapters 3, 4, and 6 following the language in Prop 50

Prop 50 Information

- DHS Prop 50 funds are divided into 9 narrowly-defined programs
- Many proposed projects will NOT be eligible for any of the grant programs
- Different from Drinking Water SRF loan program, where most projects were eligible, but might be ranked lower if not addressing MCL violations
- Grant funds cannot be used for operation and maintenance
- Applicants cannot receive funds for same project from other Prop 50 grant programs
- Payment will not be disbursed until after funding agreement executed

DHS Timeline

- Funds to be allocated over at least 4 years
- Pre-applications to be solicited each year
- 2004 Pre-applications were due Dec. 1, 2004
 - 914 pre-applications received
 - ~\$860 million Prop 50 grants requested
- Proposed schedule for first funding cycle shown on next slide

Proposed Schedule – First Funding Cycle

PRIMARY TASKS	SCHEDULE
Release pre-applications	Oct. 1, 2004
Pre-applications due	Dec. 1, 2004
Review pre-applications	Dec 2004 – Mar 2005
Develop Project Priority Lists, Public review	Mar – May 2005
Determine Fundable Portion of PPLs	July 2005
Invite Full Applications	Aug 2005
Applicants submit full applications	Sep 2005 – Feb 2006
2 nd round of pre-applications	Oct – Dec 2005
Review applications, prepare technical reports, and issue Letter of Commitment (LOC)	Oct 2005 – Sep 2006 (w/in 8 months after submittal)
Applicant submits plans, specs, financial, and environmental documentation	Up to 14 months after LOC
DWR develops funding agreements	After LOC requirements met

Prop 50 Pre-application Database Program

- DHS developed a pre-application computer program
- Electronic submittal *highly encouraged*
- Paper forms accepted, but discouraged
- Separate pre-applications required for each project for each funding program

Small Water Systems

- SWS \leq 1,000 service connections OR \leq 3,300 population
 - Includes non-community systems
- No matching funds required for any grant program
- SWS grants: Chapter 4a.1
- Consolidation and/or interconnections encouraged. Eligible under Chap 4a.1 or Chap 3 (security)
- Applicants must meet Technical, Managerial and Financial (TMF) requirements
 - Grant funds cannot be used to comply with TMF
- Technical Assistance available from DHS

Disadvantaged Communities

- 25% of funds in Chapters 3, 4, and 6(c) set aside for disadvantaged communities (DC)
- DC = <80% statewide annual MHI determined by DWR contractor based on census tracts
 - (current MHI = \$52,417; DC < \$41,933)
- Eligible applicants:
 - Public water system (PWS) whose entire service area meets definition of DCOR
 - PWS applying for project to connect or consolidate a separate PWS that meets definition of DCOR
 - PWS applying on behalf of a community within the PWS service area that meets definition of DC
- Project must benefit only the disadvantaged community

Matching Funds

- Applicant funds spent after Oct. 28, 2003 are eligible
- Must be non-state funds
- State agencies may use non-Prop 50 state funds for match
- Possible Sources:
 - Local (user fees, taxes, water rates, assessments)
 - Federal (SRF loans, USDA grants or loans)
 - Other partners (research foundations, private entities)
- Types of non-cash contributions
 - Staff expenses
 - Office support (supplies, reproduction, phone)
 - Donated equipment or supplies
 - Force account work
- 1:1 match required
- Small water systems and DC exempt

Labor Compliance

- SB 278 (Machado, Chapter 892, Statutes of 2002) requires that entities awarding public works projects financed with state bond funds must adopt and enforce a labor compliance program.
- Information is available on the Dept. of Industrial Relations website
 - www.dir.ca.gov/lcp.asp
- Applicant is responsible for complying with this requirement; DHS to verify
- AB 2690 allows volunteers to be used under certain circumstances
- Consultants are available and will prepare and implement these plans
- Costs for preparing and enforcing the LCP are reimbursable for Disadvantaged Communities and small water systems

Chap. 3 – Water Security

- Eligible applicants
 - All public water systems (PWS)
- Eligible projects
 - Projects to prevent the disruption of drinking water deliveries from terrorist attack or deliberate acts of destruction or degradation. Focus is on enhancing the reliability of drinking water delivery systems.

Chapter 4a: Five New Grant Programs

~\$62.355 million

1. Small community water system monitoring, treatment and distribution facilities
 - Projects that upgrade monitoring, treatment, or distribution infrastructure (pipes, tanks, pump stations, etc.) for small water systems (\$12.47 million)
2. New contaminant removal and treatment technologies
 - Demonstration projects, pilot studies, and bench scale studies that develop and demonstrate new technologies and related facilities for water contaminant removal and treatment (\$12.47 million)
3. Community water system monitoring facilities
 - Projects that provide monitoring facilities and equipment to community water systems (\$12.47 million)
4. Drinking water source protection
 - Projects that protect a drinking water source from contamination (\$12.47 million)
5. Disinfection byproduct (DBP) treatment facilities
 - Projects that provide treatment facilities necessary to meet disinfectant by-product (DBP) safe drinking water standards (\$12.47 million)

Chapter 4a

General Criteria

- Ranking Criteria for each grant program are based primarily on:
 - Compliance with safe drinking water standards
 - Health threat of contaminant
- 25% set aside for disadvantaged communities
- Recipients must meet technical, managerial, and financial capacity (TMF) requirements
- Projects eligible under Chap. 4b not eligible under Chap. 4a

4b – Southern California projects

■ Eligible applicants

- Public Water Systems whose service area is entirely or partly in Los Angeles, San Diego, Imperial, Riverside, Orange, San Bernardino, Santa Barbara, or Ventura Counties
- Water system must currently obtain water from the Colorado River, or receive water from another entity that obtains water from the Colorado River

■ Eligible projects

- Projects that assist applicants in meeting drinking water standards AND in meeting the state's commitment to reduce Colorado River water use to 4.4 million acre-feet (MAF) per year

6b – Contaminant Removal & Treatment

■ Eligible applicants

- Public water systems
- Public entities (public universities, public agencies, etc.)

■ Eligible Projects

- Pilot and demonstration projects for treatment or removal of the following categories of contaminants:
 - Petroleum products, NDMA, Perchlorate, Radionuclides, pesticides and herbicides, heavy metals (arsenic), pharmaceuticals and endocrine disruptors (includes nitrate)
- The study must involve:
 - New treatment technology for the contaminant(s) being treated, or
 - Existing technology applied to a new contaminant, or
 - Existing technology used in a different way (i.e., reducing residuals)

6c – UV & Ozone Disinfection

- Eligible applicants
 - Public water systems
- Eligible projects
 - Projects to install disinfection facilities using ultraviolet (UV) or ozone technology
 - Projects must address an MCL violation, surface water treatment microbial requirements, or other mandatory disinfection that can only be addressed by UV or ozone

For more information...

- Refer to the DHS website for the latest information:
 - <http://www.dhs.ca.gov/ps/ddwem/Prop50/>
- Questions on Prop 50 Program can be addressed via e-mail:
 - Dwemcomm@dhs.ca.gov